H. B. 2049 1 2 3 (By Delegates Ellem, D. Poling and Moore) [Introduced January 12, 2011; referred to the 4 5 Committee on Banking and Insurance then the Judiciary.] 6 7 8 9 10 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §33-11-5b, relating 11 to prohibiting the use of a person's credit history in 12 insurance transactions. 13 14 Be it enacted by the Legislature of West Virginia: 15 That the Code of West Virginia, 1931, as amended, be amended 16 by adding thereto a new section, designated §33-11-5b, to read as 17 follows: 18 ARTICLE 11. UNFAIR TRADE PRACTICES. 19 §33-11-5b. Use of credit history prohibited. 20 With respect to insurance policies for passenger motor 21 vehicles, residential property or other personal insurance lines, 22 no person may: 23 (1) Refuse to underwrite, cancel, refuse to renew a risk or 24 increase a renewal premium based, in whole or in part, on the

- 1 credit history of an applicant for insurance or an insured person;
- 2 (2) Rate a risk based, in whole or in part, on the credit
- 3 history of an applicant for insurance or an insured person in any
- 4 manner, including, but not limited to, the provision or removal of
- 5 a discount, assigning an applicant or insured person to a rating
- 6 tier, or placing an applicant or insured person with an affiliated
- 7 company; or
- 8 (3) Require a particular payment plan based, in whole or in
- 9 part, on the credit history of the applicant for insurance or the
- 10 insured person.

NOTE: The purpose of this bill is to prohibit the use of a person's credit history in insurance transactions.

This section is new; therefore, it has been completely underscored.